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Before the
Federal Communications Commission
Washington, DC 20554

PAGING COALITION
Request for Declaratory Ruling

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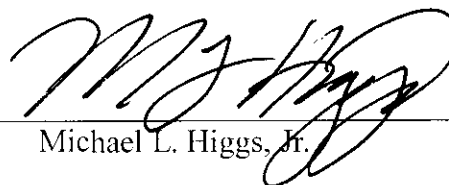
Docket No. CC 01-346
DA 01-2942

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To: The Commission

Comments of SBT

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Summary

SBT supports the Paging Coalition's Request for Declaratory Ruling for the following reasons: (A) Type 3A interconnection service is urgently needed by Paging Coalition members to provide substantial economic and communications efficiencies to their customers and to enhance the convenience and utility of their services to members of the public and to public safety entities using CMRS services to protect lives and property in their communities; (B) Type 3A interconnection service is an extremely efficient method of conserving dwindling and valuable telephone numbering resources; (C) NXX Codes used by CMRS carriers, including Paging Coalition members, deserve unique treatment because the Major Trading Area (MTA) actually represents their local service area; (D) Paging carriers, as federally authorized and licensed telecommunications carriers, are entitled to "technically feasible" interconnection arrangements, including unbundled network elements; (E) Verizon's withdrawal of Type 3A interconnection service is a violation of the local dialing parity provisions of 47 C.F.R §51.205 and 47 C.F.R §51.207; (F) The Paging Coalition members will suffer a severe and unnecessary competitive disadvantage if Verizon withdraws Type 3A interconnection service.

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Comments of SBT

1. Small Business in Telecommunications (SBT), a non-profit association of small businesses providing goods and services throughout the telecommunications marketplace, hereby comments to the Paging Coalition's Request for Declaratory Ruling, DA 01-2942, released December 19, 2001 (Request) and states the following:
2. SBT's membership includes local operators of CMRS wireless telecommunications systems across the country, including one-way and two-way paging operators within the Verizon service area. SBT's members across the country rely on the use of Type 3A interconnection services to provide effective, efficient and competitive wireless telecommunications services to businesses, members of the public and public safety entities. Accordingly, SBT is vitally interested in the outcome of this matter.
3. Type 3A interconnection service (also sometimes referred to as a "Wide Area Calling Plan," "LATA-Wide Paging," "Extended Local Calling Area" and "Type 2A - Reverse Billing" service) is currently provided by Bell Atlantic Corp., d/b/a Verizon Communications ("Verizon") to Central Vermont Communications, Inc., Datapage, Inc., Northeast Paging and Rinker's Communications (collectively the "Paging Coalition").

Type 3A interconnection service enables members of the public to send a paging message

to customers of the Paging Coalition via a local call anywhere within a LATA served by a Paging Coalition member. Type 3A interconnection service utilizes a block of numbers assigned exclusively to the Type 3A interconnection service. This block of numbers is ordinarily a full NXX code and is resident in Verizon's Serving End Offices throughout the LATA. Telephone calls to the assigned number block originating from any Verizon end office within the LATA (the "Originating End Office") are transmitted to, and interchanged with, Paging Coalition members at no charge to the calling party. Verizon charges the Paging Coalition member a per-minute usage charge, which varies from state to state, for transmitting the call to, and interchanging it with, the Coalition member.

4. Type 3A interconnection service "is an interconnection arrangement provided to wireless carriers by Verizon and other Incumbent Local Exchange Carriers, enabling parties to place a page to any customer of a wireless carrier by dialing a single local (seven digit) telephone number anywhere in the wireless carrier's extended service area within a LATA."¹
5. SBT supports the Paging Coalition's Request for Declaratory Ruling for the following reasons: (A) Type 3A interconnection service is urgently needed by Paging Coalition members to provide substantial economic and communications efficiencies to their customers and to enhance the convenience and utility of their services to members of the public and to public safety entities using CMRS services to protect lives and property in their communities; (B) Type 3A interconnection service is an extremely efficient method of conserving dwindling and valuable telephone numbering resources; (C) NXX Codes used by CMRS carriers, including Paging Coalition members, deserve unique treatment because the Major Trading Area (MTA) actually represents their local service area; (D)

¹ Paging Coalition Files Petition for Declaratory Ruling Regarding Verizon's Proposed Termination of Type 3A Interconnection Service, CC Docket No. 01-346, DA 01-2942, (December 29, 2001).

Paging carriers, as federally authorized and licensed telecommunications carriers, are entitled to “technically feasible”² interconnection arrangements, including unbundled network elements; (E) Verizon’s withdrawal of Type 3A interconnection service is a violation of the local dialing parity provisions of 47 C.F.R §51.205 and 47 C.F.R §51.207³; (F) The Paging Coalition members will suffer a severe and unnecessary competitive disadvantage if Verizon withdraws Type 3A interconnection service.

A. Type 3A interconnection service is urgently needed by Paging Coalition members to provide substantial economic and communications efficiencies to their customers and to enhance the convenience and utility of their services to members of the public and to public safety entities using CMRS services to protect lives and property in their communities.

6. Paging Coalition members’ personal communications systems cover large rural areas encompassing many local telephone exchange areas. In conjunction with the Paging Coalition members’ personal communications systems, Type 3A interconnection service allows efficient and essential communications. Type 3A interconnection provides an

² *Technically Feasible*: Interconnection, access to unbundled network elements, collocation, and other methods of achieving interconnection or access to unbundled network elements at a point in the network shall be deemed technically feasible absent technical or operational concerns that prevent the fulfillment of a request by a telecommunications carrier for such interconnection, access, or methods. A determination of technical feasibility does not include consideration of economic, accounting, billing, space, or site concerns, except that space and site concerns may be considered in circumstances where there is no possibility of expanding the space available. The fact that an incumbent LEC must modify its facilities or equipment to respond to such request does not determine whether satisfying such request is technically feasible. An incumbent LEC that claims that it cannot satisfy such request because of adverse network reliability impacts must prove to the state commission by clear and convincing evidence that such interconnection, access, or methods would result in specific and significant adverse network reliability impacts.

³ 47 C.F.R §51.205 Dialing parity: general. A local exchange carrier (LEC) shall provide local and toll dialing parity to competing providers of telephone exchange service or telephone toll service, with no unreasonable dialing delays. Dialing parity shall be provided for all originating telecommunications services that require dialing to route a call. 47 C.F.R. §51.207 Local dialing parity. “A LEC shall permit telephone exchange service customers within a local calling area to dial the same number of digits to make a local telephone call notwithstanding the identity of the customer's or the called party's telecommunications service provider.”

essential service to rural communities by allowing government, business and public safety entities to communicate wirelessly over extended geographic areas instead of limited traditional telephone exchange boundaries, and simplifying their communication requirements by using a single telephone number instead of many numbers. This is especially true where terrain factors, such as in the mountains of Vermont, often limit the type of wireless communications public safety personnel can receive within the LATA. Public safety entities should be afforded as many convenient and cost effective types of wireless devices at their disposal and should not be limited by superficial constraints imposed by the LECs.

7. Type 3A interconnection service also saves time and money through the increased efficiency of communications, as well as contributing to the creation of new business opportunities and jobs in all areas of the Paging Coalition coverage area, especially in traditionally underserved rural areas. Wide-area calling and matching radio paging coverage are features essential to the efficiency and usefulness of rural wireless telecommunications service. Therefore, Type 3A interconnection service is a vital ingredient in maintaining public safety services and the economic health and stability of rural and economically depressed areas.

B. Type 3A interconnection service is an extremely efficient method of conserving dwindling and valuable telephone numbering resources.

8. Type 3A interconnection helps delay the need for area code relief by efficiently using numbering resources. The exhaust of area code numbering resources has become a continuing problem for the North American Numbering Plan Administrator (NANPA) in

recent years. This problem is a direct result of having a large number of “rate centers”⁴ used for billing purposes. By reducing the number of “rate centers” in each LATA to one, as is the practice for Type 3A interconnection, the number of NXX codes used by wireless carriers is greatly reduced.⁵ Rate center consolidation is an effective and reasonable way to limit future area code numbering resources. In addition, it is the consumers who benefit the most from the advantages of simplified calling to and from public safety agencies, government offices and local businesses users. Therefore, maintaining the current interconnection system far outweighs any implementation or operational objections made by Verizon. As the old adage goes, if its not broke don't fix it.

9. Verizon's withdrawal of Type 3A service is going to have immediate, significant and very undesirable effects on the North American Numbering Plan (NANP) and the paging carriers operating in the Verizon service area. As a real example, an SBT member and paging carrier operating in Pennsylvania, Maryland, DC and adjacent areas, currently is assigned 7 NXX codes which contain a total of 70,000 numbers, which numbers are used to provide local calling access to customers using Verizon's Type 3 interconnection. If Verizon is permitted to withdraw its Type 3 interconnection service, this same carrier will be required to provision at least 317 NXX codes over the same geographic area to provide local calling access for the same customers. These 317 NXX codes contain a total of 3.17 million numbers that cannot be used for any other purpose. In addition, this paging carrier will be required to provision these NXX codes and inherent numbers in its paging switches without any additional recovery mechanism, such as enhanced services

⁴ Rate Centers are geographic locations used to determine distance-sensitive end-user charges.

⁵ For example, in the 262 Area Code, Wireless carriers are assigned 123 NXX codes (approximately 35 percent) out of 470 assigned NXX codes. From the April 26, 2001 North American Numbering Plan Administration report on NXX code assignments.

to its subscribers, for the additional costs of these numbers, caused by the Verizon withdrawal of Type 3A. This example is typical of the calling access requirements of wide-area paging systems and illustrates the significant costs, in both time and resources, of permitting Verizon to withhold Type 3A interconnection services from carriers that rely on such service.

C. NXX Codes used by CMRS carriers deserve unique treatment because the Major Trading Area (MTA) is the local service area.

10. The use of a single NXX code by Paging Coalition members using Type 3A interconnection over an entire LATA dramatically improves the ability of these wireless providers to offer competitive services and rates to the public and significantly decreases the demand for NANP number assignments in many LEC designated, local exchange areas. The continuation of Type 3A interconnection will maintain the calling scope for land-to-mobile calling that is reciprocal to the paging coverage service area calling scope. The continued availability of Type 3A interconnection arrangements will also maintain the Paging Coalition providers' ability to compete in the marketplace with other telecommunications services.
11. Numbers/NXX codes used for calling CMRS subscribers are logically and practically required throughout the CMRS carrier's geographic coverage area. Most CMRS subscribers want and need a "local" telephone number (with respect to callers in the wireless "local" calling area) to access their wireless device(s). This numbering requirement is not related to the traditional parameters of wire center boundaries, but is unique to the CMRS wireless geographic service area. The LECs proposed restriction to the local landline exchange boundaries on local calls going to CMRS numbers is equivalent to designating a landline local calling area for every individual city block in

New York City and ignores the existing wire center boundaries. This does not make any sense.

12. Arguments that CMRS NXX codes should be treated in exactly the same restrictive manner as other telecommunications providers' NXX codes fly in the face of the Commission's historic decisions regarding CMRS interconnection.⁶ The Commission has good and sufficient reason for upholding unique treatment of CMRS calling arrangements including NXX codes. Wireless devices are not necessarily replacements for landline devices, but they are highly competitive with landline devices.
13. It is also obvious that wireless devices, by their very nature, create unique problems that cannot be solved with landline solutions. The original rate center limits on LEC NXX codes were the result of then existing technical limitations and a monopoly environment. CMRS local calling areas encompassing the entire LATA or MTA are logically based on the Commission's rules for wireless service areas, current technical standards and a highly competitive wireless telecommunications environment.
14. It should also be noted that toll-free, Service Access Code (800) numbers are not a viable substitute for local number access for many wireless users who want local calling from LEC exchanges outside their local landline exchange. Cost of calling, dialing of more digits, and the fact that calling costs are charged to the wireless user and not the caller, are just some of the disadvantages of using toll-free service access codes for CMRS calling.

⁶ See, e.g. Implementation of Section 3(n) and 332 of the Communications Act, 9 FCC Rcd 1411 (1994) ("*Second R&O*"); The Need to Promote Competition and Efficient Use of Spectrum for Radio Common Carrier Services, 2 FCC Rcd 2910 (1987) ("*Declaratory Ruling*"); The Need to Promote Competition and Efficient Use of Spectrum for Radio common Carrier Services, 4 FCC Rcd 2369 (1989).

15. The Commission has long recognized that wireless carriers serve a much larger geographic area than the local landline telephone exchange.⁷ Originally, in order to provide a pager with a local exchange number in each city where a local telephone number was needed, paging carriers simply assigned multiple telephone numbers to a single pager. This practice is inconvenient, wasteful of NANP resources and is impractical when many local exchange areas are involved. In the present situation where the CMRS system covers more than an entire state, a single CMRS unit would have to be assigned **50 or 100 different local exchange telephone numbers** in order to have local calling from the entire service area. Type 3A interconnection was developed to solve these problems. A wireless device, such as a pager or cellular phone, operating over a wide geographic area, receives calls from a multitude of sources throughout that local service area in the same manner as a landline telephone receives calls from various locations within a given landline local telephone exchange area.
16. Currently, as a provider of Type 3A interconnection service, Verizon has provisioned a single NXX code for an entire LATA. This NXX code is treated like a Service Access Code (SAC) (e.g. 800 and 900 numbers) for routing purposes throughout a chosen group of local exchange areas. It is routed to a single interconnection point within the LATA in the same manner as other SAC arrangements. Unlike SAC arrangements which require ten-digit dialing, calls to the wireless NXX are dialed on a seven-digit basis like other local calls. Also, since this wireless calling arrangement is not a SAC, the billing of this service is a state-by-state negotiated amount, in which the receiving wireless carrier pays the cost of the call. The costs for this service are derived by the LECs and the wireless

⁷ See, *Interconnection Between Wireline Telephone Carriers and Radio Common Carriers Engaged in the Provision of Domestic Public Land Mobile Radio Service Under part 21 of the Commission's Rules*, 63 FCC 2d 87, 88 (1977).

carriers (and approved by some state regulatory agencies⁸) to include some, but not all, of the SAC elements and/or other “special” components.⁹ The wireless NXX code is rated, for toll purposes, in the Local Exchange Routing Guide (LERG), for calls from outside the negotiated LATA calling jurisdiction to the landline tandem location or the wireless carrier’s point of presence.

17. The Commission recognized LATA-wide interconnection of a cellular or paging carrier¹⁰ with a Public Switched Telephone Network (PSTN) tandem telephone switch and the access to all subtending offices (and their local exchange areas) as Type 2A interconnection¹¹ in a 1987 Declaratory Ruling.¹² The FCC distinguished the Type 2A interconnection from Type 1 interconnection¹³ as one where the connection is to a landline end office and the local calling scope is limited to the local landline exchange boundaries. In 1996, the Commission further defined the “local service area for calls to or from a CMRS network”¹⁴ to be the MTA.¹⁵ Using this plain language definition, it is very clear that “local telecommunications traffic” includes all calls to or from anywhere within the MTA and not just calls to or from the traditional local telephone exchange boundaries.¹⁶ Therefore, Verizon’s proposed changes to the existing system will not only

⁸ See Michigan Public Service Commission Case No. U 9269, Settlement Agreement, (Sept. 27, 1988) and Ameritech, Michigan Tariff M.P.S.C. 20 R, (October 12, 1995).

⁹ Sometimes referred to as “Reverse Billing” by Local Exchange Carriers. Technically, the term, “Reverse Billing” is a misnomer because CMRS providers do not pay an Intra-LATA toll charge or any charge based on Intra-LATA toll for the calls originated under this arrangement. Instead, CMRS providers pay an Access like fee.

¹⁰ Later changed to Commercial Mobile Radio Service (CMRS); *Second R&O*, 9 FCC Red at 1413; see, also 47 C.F.R. § 20.9.

¹¹ Bellcore TR-NPL-000145 definition and description.

¹² *Declaratory Ruling*, 2 FCC Red 2910 at 2914-15.

¹³ Bellcore TR-NPL-000145 definition and description

¹⁴ 1996 Order, 11 FCC Red at 16104.

¹⁵ See, Rand McNally, Inc., 1992 Commercial Atlas & Marketing Guide 38-39 (1992)

¹⁶ 47 C.F.R. § 51.701 (b)(2)

create unnecessary uncertainty with regard to rates and service for the consumer and the Paging Coalition it is in direct violation of the Commission's Rules and decisions.

D. Paging carriers, as authorized telecommunications carriers, are entitled to “technically feasible” interconnection arrangements, including unbundled network elements.

18. As explained in the Paging Coalition's Request for Declaratory Ruling, Verizon's withdrawal of Type 3A interconnection will deprive Paging Coalition providers of access to unbundled network elements. The withdrawal of Type 3A interconnection will also deprive Paging Coalition providers of technically feasible interconnection arrangements, including the unique provision of a single NXX code in multiple rate centers to achieve local calling on the same NXX code in multiple landline rate centers.
19. The Commission defined the CMRS “local” service area as the MTA in its 1996 Order. This provision in the 1996 Order clearly applies to both land-to-mobile and mobile-to-land calling, as evidenced by the specific reciprocal compensation provisions defined in 47 CFR §51.701(c). Obviously, the historic LEC landline local telephone exchange boundaries were never intended to be the local exchange boundaries for CMRS carriers. The Commission and most state regulatory bodies have traditionally viewed CMRS service boundaries as being limited by radio propagation properties¹⁷ or political/government boundaries¹⁸ and *not* an existing LEC wire center or published local exchange boundary limit. The Commission's reasoning for its MTA definition of the local service area for CMRS is stated in its 1996 Order at Paragraph 1036, “[b]ecause wireless licensed territories are federally authorized, and vary in size, we conclude that

¹⁷ 47 C.F.R. §§ 1 and 20, Commercial Mobile Radio Services.

¹⁸ *1996 Order*, 11 FCC Red at 16014, *see, also* Rand McNally, Inc., 1992 Commercial Atlas & Marketing Guide 38-39 (1992).

the largest FCC-authorized wireless license territory (i.e., MTA) serves as the most appropriate definition for local service area for CMRS traffic for purposes of reciprocal compensation under section 251(b)(5) as it avoids creating artificial distinctions between CMRS providers. ... Accordingly, traffic to or from a CMRS network that originates and terminates within the same MTA is subject to transport and termination rates under section 251(b)(5), rather than interstate and intrastate access charges.” Simply because the definition of the local service area was made “for purposes of reciprocal compensation” does not mitigate the definition with respect to other interconnection parameters, and certainly does not relieve any of the Commission’s requirements for dialing parity.

20. Local calling areas could formerly be identified as those areas where callers could dial other local numbers on a seven digit basis rather than a 10 or 11 digit basis, however, this situation is no longer true in areas where area code splits have divided local calling areas for all telecommunications providers. Ten or eleven digit dialing is now sometimes required for local calls when the local calling area is split or overlaid into different area codes.
21. The definition for “local” calling has become less precise as the cost of toll calling has declined dramatically and bundling of services has increased. For instance, some PCS/Cellular carriers include statewide or nationwide calling as “local” for all mobile to land calls in which the minutes of use charges “bundle” both the PCS/Cellular airtime charges and “long distance” charges. Landline carriers are also offering “bundled” packages of local and long distance calling.
22. It is both unreasonable and anti-competitive for LECs such as Verizon to restrict calls from landline subscribers to CMRS networks by limiting local calling to the landline

defined local exchange boundaries. Verizon's CMRS affiliates, however, continue to market services to the public that offer wide area calling as if it were local service.

23. The Commission should keep in mind that Coalition paging carriers are not Inter-Exchange Carriers and cannot, of themselves, provision landline-to-mobile calling arrangements. With the breakup of the Bell System into Regional Bell Operating Companies in 1984, the LATA became the "local" exchange area for Access purposes. Initially, the wireless carriers were thought to be Inter-Exchange Carriers (IXC) and a Feature Group E was proposed to allow wireless Access. The Access regime for wireless operators was quickly discarded, however, since wireless networks switch calls from the landline network to a wireless device as opposed to simply switching and transporting landline calls from one local exchange area to another. Wireless carriers were deemed not to be Inter-Exchange carriers.

E. Verizon's withdrawal of Type 3A interconnection service is a violation of the local dialing parity provisions of 47 C.F.R §51.205 and 47 C.F.R §51.207.

24. The Commission has been indisputably clear in addressing local dialing parity by stating: "[a] LEC shall permit telephone exchange service customers within a local calling area to dial the same number of digits to make a local telephone call notwithstanding the identity of the customer's or the called party's telecommunications service provider."¹⁹ (emphasis added) "Local" calling has been defined in state jurisdictions to mean that a caller could dial another "local" number without incurring a toll charge. In terms applicable to the instant case, the NXX code(s) and/or associated telephone numbers assigned to the CMRS subscribers for local calling access are entitled to be treated without

¹⁹ *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 11 FCC Red 19392, 19430 (1996) ("Second MO&O"); *see also* 47 C.F.R. § 51.207

discrimination and with the same principles of reciprocal geographic coverage and compensation as other NXX codes and/or associated numbers used by the LEC's for local subscriber calling access. It was clearly *not* the Commission's intention that the 1996 Order restrict the calling scope of CMRS subscriber telephone numbers (NXX codes) to the landline local exchange boundaries, as Verizon is hereby attempting to do.²⁰ Local dialing parity for CMRS, especially in the land-to-mobile direction, is no less important than local dialing parity for other local telecommunications service providers. The maintenance of "reciprocal" calling and local dialing parity to avoid discrimination between the directions of call traffic, is one of the fundamental regulatory tenets of the Commission's interpretation of the 1996 Telecommunications Act. Clearly, dialing parity and reciprocal calling for all callers are major reasons for the landline practice, as mandated by the state commissions, of clearly designating the local calling exchange boundaries and definitions in tariffs and subscriber information.

F. The Paging Coalition members will suffer a competitive disadvantage if Verizon withdraws Type 3A interconnection service.

25. If Verizon is permitted to discontinue Type 3A interconnection service, and therefore the entire LATA-wide scope of the local CMRS calling exchange, it is clear that the Paging Coalition providers will be at a distinct competitive disadvantage. This disadvantage will be directly caused by the non-reciprocal nature of the resulting unbalanced local calling paradigm. A CMRS unit can originate a "local" call to a wide geographic area as configured by the mobile service provider, but in the absence of Type 3A interconnection arrangements, it can only receive calls as "local" from a single landline exchange as

²⁰ See, Exhibit 2 of the Request: Letter dated October 10, 2001 from Verizon to Maine Public Utilities Commission withdrawing Type 3A "reverse billing" service as of October 2002.
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defined by the local landline exchange carrier. A wireless phone user can easily make a “local” call from his wireless phone to a landline phone that is physically located only a few feet away, yet the landline LEC subscriber is required to make a toll call when calling back to the same wireless phone. In the same manner, when a LEC subscriber calls a Paging Coalition pager, his call is a local call using Type 3A interconnection over an entire LATA. If Verizon is allowed to withdraw Type 3A interconnection service, however, the LEC subscriber may be required to pay a toll charge to call the pager. Therefore, the Paging Coalition members will be deprived of this convenient and consumer friendly calling arrangement.

26. Paging Coalition providers have been able to obtain a single point of presence within the geographic boundaries of the Verizon serving areas within a LATA and have been able to receive call traffic from calls dialed to those NXX codes designated by the Paging Coalition provider as local to that exchange. This practice creates a LATA-wide rate center for the Paging Coalition provider.

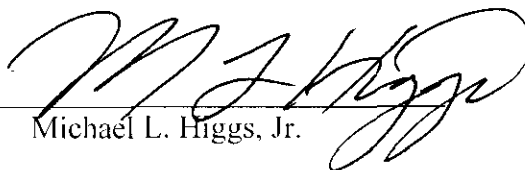
27. Verizon’s threatened withdrawal of Type 3A has no basis in logic or economics for either Verizon or the paging carriers affected. First, Verizon’s costs of providing the 3A service are presumably met by the charges for this service paid by the paging carriers in the form of usage and miscellaneous charges. Verizon has not raised any issues in this matter to indicate that the continuation of the Type 3A service would have any undue, adverse economic effect whatsoever on Verizon. By logical inference, Verizon makes a profit from this service. Second, if the paging carriers are required to provision standard-billed NXX codes, Verizon will be required to pay reciprocal compensation for all of the calls for which it now collects revenue. However, for the paging carriers, the costs of provisioning the additional numbers and the costs of additional switching facilities necessary to administer and operate the additional number resources far outweigh the

anticipated revenue from the termination of the Verizon-originated call traffic. In addition, the Commission has proposed a “bill and keep” compensation scheme that would completely eliminate whatever offsetting revenue might be derived from reciprocal compensation charges. As illustrated elsewhere in these comments, the paging carriers will suffer significant and profound economic losses if the Type 3A service is withdrawn. Verizon’s promised withdrawal of Type 3A service is economically unsound, for both Verizon and the paging carriers. This situation is especially egregious considering that there is absolutely no economic or operational reason for Verizon to withdraw the Type 3A service.

For the foregoing reasons, Small Business in Telecommunications (SBT) supports the Request for Declaratory Ruling by the Paging Coalition.

Respectfully submitted,

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